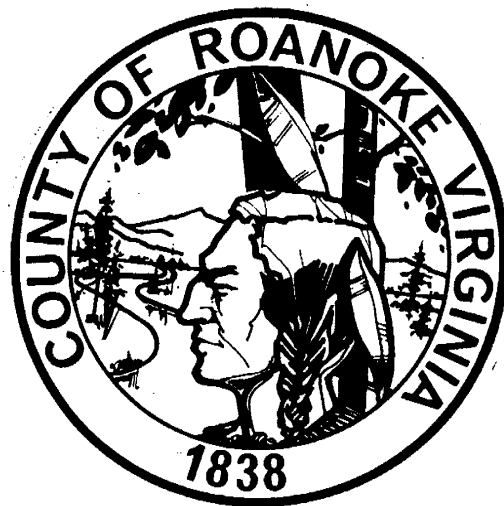


# *Internal Service Fund*



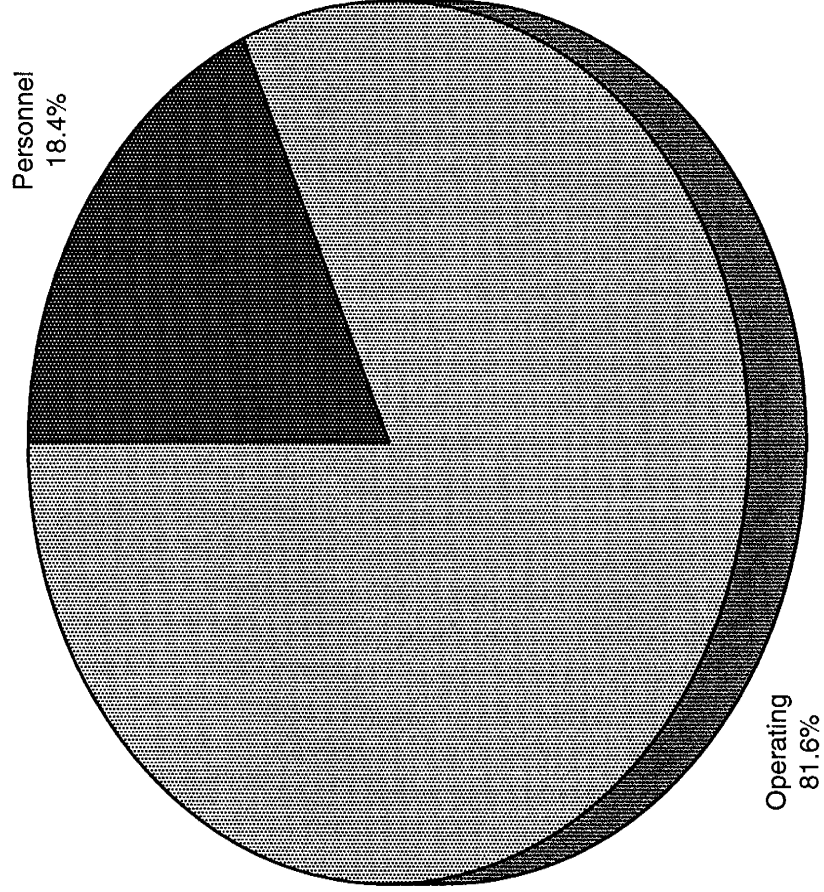
## **Internal Service Fund**

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Internal Service Funds are used to account for the financing of services provided by one department to other departments of the government, on a cost reimbursement basis. The following activities of the County are reported as Internal Service Funds.

- Medical Insurance Fund – Provides medical and dental insurance coverage for County employees. Expenditures for health and dental insurance are budgeted at the department level to provide a true record of total departmental expenditures. Insurance reserves are maintained in this fund.
- Risk Management Fund – Provides workers' compensation and general liability insurance coverage for the County and County employees. It also creates and implements loss reduction and cost containment programs, establishes effective methods for claims filing and settlement, and evaluates effective risk management techniques.

**FY05 Internal Service Expenditures**  
**\$957,700**



## Internal Service Fund Revenue and Expenditure Summary

	Actual FY 2003	Budget FY 2004	Adopted FY 2005	Inc(Dec)
<b><u>Revenues:</u></b>				
Medical Insurance Fund				
Investment Income	\$ 8,676	\$ -	\$ -	\$ -
Insurance Withholdings	4,817,302	-	-	-
Insurance Benefits	-	-	-	-
Transfer from General Fund	421,952	-	-	-
Total Medical Insurance	5,247,930	-	-	-
Risk Management Fund				
Interest Income	76,275	-	-	-
Transfer from General Gov't	-	937,906	957,700	19,794
Departmental Charges	1,050,347	-	-	-
Other	54,205	-	-	-
Total Risk Management	1,180,827	937,906	957,700	19,794
Total Internal Service Revenues	6,428,757	937,906	957,700	19,794
Retained Earnings- Beginning	5,263,798	6,958,128	6,958,128	-
<b>Total Revenues &amp; Retained Earnings</b>	<b>\$ 11,692,555</b>	<b>\$ 7,896,034</b>	<b>\$ 7,915,828</b>	<b>\$ 19,794</b>

<b><u>Expenditures:</u></b>				
Medical Insurance Fund				
Health Insurance	3,801,468	-	-	-
Dental Insurance	307,243	-	-	-
Total Medical Insurance	4,108,711	-	-	-
Risk Management Fund				
Personnel	124,470	167,569	176,597	9,028
Operating	501,246	770,337	781,103	10,766
Capital	-	-	-	-
Total Risk Management	625,716	937,906	957,700	19,794
Total Internal Services	4,734,427	937,906	957,700	19,794
Retained Earnings- Ending	6,958,128	6,958,128	6,958,128	-
<b>Total Expenditures &amp; Retained Earnings</b>	<b>\$ 11,692,555</b>	<b>\$ 7,896,034</b>	<b>\$ 7,915,828</b>	<b>\$ 19,794</b>

## Risk Management

*The Roanoke County Finance Division of Risk Management assists departments and employees of the County in the area of insurance and risk-related matters.*

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**Mission:** Roanoke County Risk Management will provide for the insurance, safety, and risk-related needs pertaining to the operation of the County of Roanoke and Roanoke County Schools.

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To provide a safer and more secure environment for the citizens and employees of Roanoke County.

- Reduce the frequency and severity of accidents and injuries.
  - Analyze past and current accident reports to establish areas in need of training.
  - Promote defensive driving classes for all drivers of County vehicles.
  - Schedule safety and wellness training programs for all interested departments.
  - Provide Occupational Health Nurse services.
  - Coordinate Department of Transportation (DOT) drug and alcohol testing.
  - Process workers' compensation claims in a timely manner.
  - Review claims to prevent invalid or fraudulent claims.
- Promote a more productive workforce as well as cost savings.
  - Identify potential risks or problem areas that might reduce productivity or threaten employees or citizens.
  - Develop site visit schedule (High Risk-every 6 months: Low Risk-annually).
  - Process liability claims in a timely manner.
  - Review claims to prevent invalid or fraudulent claims.
- Keep County Administration and Management informed on claims activity or possible problems that may arise.
  - Quarterly reports to the Board of Supervisors.
  - Reports to Department Directors.
  - Consult with County Attorney on legal issues.
  - Secure cost effective coverage and services.
- Participate in professional associations in order to keep abreast of current issues.
  - Virginia Public Risk Management Association
  - National Public Risk Management Association
  - Virginia Self-Insurers Association (Member Board of Directors)
  - Continuing Education for Virginia Insurance Agents License
  - Roanoke Valley Claims Association
  - Roanoke Valley Safety Network

### TOP 3 - 5 Accomplishments

1. Renewed workers' compensation and liability insurance coverage with a less than 5% premium increase.
2. Implemented OSHA Respirator Standard and completed training

Internal Services Appropriations				
Description	Actual FY 2003	Budget FY 2004	Adopted FY 2005	%Change 04-05
Personnel	\$ 124,471	\$ 167,569	\$ 176,597	5.4%
Operating	474,725	770,337	781,103	1.4%
Capital	-	-	-	0.0%
Transfers	420	-	-	0.0%
Total	\$ 599,616	\$ 937,906	\$ 957,700	2.1%
Positions	2	2	2	0.0%